

**907 KAR 8:045. Reimbursement of occupational therapy, physical therapy, and speech-language pathology provided by various entities.**

RELATES TO: KRS 205.520

STATUTORY AUTHORITY: KRS 194A.030(2), 194A.050(1), 205.520(3), 42 C.F.R. 440.130, 42 U.S.C. 1396a(a)(30)

NECESSITY, FUNCTION, AND CONFORMITY: The Cabinet for Health and Family Services, Department for Medicaid Services, has a responsibility to administer the Medicaid Program. KRS 205.520(3) authorizes the cabinet, by administrative regulation, to comply with any requirement that may be imposed or opportunity presented by federal law to qualify for federal Medicaid funds. This administrative regulation establishes the Medicaid Program coverage provisions and requirements regarding occupational therapy services, physical therapy services, and speech-language pathology services provided to Medicaid recipients who are not enrolled with a managed care organization and by adult day health care programs, rehabilitation agencies, special health clinics, mobile health services, multi-therapy agencies, and comprehensive outpatient rehabilitation facilities.

Section 1. Provider Participation. To be eligible to provide and be reimbursed for services covered under this administrative regulation, a provider shall meet the requirements established in 907 KAR 8:040.

Section 2. Reimbursement. (1) To be reimbursable under this administrative regulation, a service shall meet the coverage requirements established in 907 KAR 8:040.

(2) The department shall reimburse:

(a) 63.75 percent of the rate listed on the current Kentucky-specific Medicare Physician Fee Schedule for a service provided by:

1. An occupational therapist;
2. A physical therapist; or
3. A speech-language pathologist; or

(b) 37.5 percent of the rate listed on the current Kentucky-specific Medicare Physician Fee Schedule for a service provided by:

1. An occupational therapy assistant;
2. A physical therapist assistant; or
3. A speech-language pathology clinical fellow.

(3)(a) The current Kentucky-specific Medicare Physician Fee Schedule shall be the Kentucky-specific Medicare Physician Fee Schedule used by the Centers for Medicare and Medicaid Services on the date that the service is provided.

(b) For example, if an occupational therapy service is provided on a date when the Centers for Medicare and Medicaid Services':

1. Interim Kentucky-specific Medicare Physician Fee Schedule for a given year is in effect, the reimbursement for the service shall be the amount established on the interim Kentucky-specific Medicare Physician Fee Schedule for the year; or

2. Final Kentucky-specific Medicare Physician Fee Schedule for a given year is in effect, the reimbursement for the service shall be the amount established on the final Kentucky-specific Medicare Physician Fee Schedule for the year.

(4) The unit amount for a given service shall be as established in the corresponding:

(a) Current procedural terminology code for the service; or

(b) Healthcare common procedure coding system code for the service or item.

Section 3. Not Applicable to Managed Care Organizations. A managed care organization shall not be required to reimburse in accordance with this administrative regulation for a service covered pursuant to:

- (1) 907 KAR 8:040; and
- (2) This administrative regulation.

Section 4. Federal Approval and Federal Financial Participation. The department's coverage of services pursuant to this administrative regulation shall be contingent upon:

- (1) Receipt of federal financial participation for the coverage; and
- (2) Centers for Medicare and Medicaid Services' approval for the coverage.

Section 5. Appeals. A provider may appeal an action by the department as established in accordance with 907 KAR 1:671. (42 Ky.R. 2307, 2606; eff. 6-3-2016.)